

COUNTY REPORTING

with the State Controller's Office

Top Ten Reporting Issues to Check Before Submitting Your 2013-14 Counties Financial Transactions Report

1. **REVENUES** should be reported by the original revenue source, not necessarily by how they are used or the department/fund receiving the revenues.
2. If you were **ADVISED PRIOR YEAR** of an adjustment, make sure you corrected it in the current year report.
3. Major variances require **FOOTNOTES**. If you have an overall reporting change, you can add an explanation in the Comments form.
 - Invalid footnotes will be questioned. Simply stating “Correct” or “Confirmed OK” is not acceptable. We do not need great detail in the footnotes, but please indicate what caused the variance (e.g., “New AB 1234 law enforcement grant”).
4. Regardless of whether accounted for as **ENTERPRISE** or Non-Enterprise, all Airport, Hospital, and Refuse activity must be reported on the appropriate Enterprise/Activity form. If reported as Non-Enterprise, the Net Income/Loss must be manually added as an adjustment on the Statistics and Summary form. Other enterprise-like activities (e.g., golf course, park, etc.) that are classified as Governmental should be reported in the general revenue and expenditure forms.
5. Make sure all **DEBT** reported has Principal and Interest (P&I) payments or, if none, add footnotes to explain why there are no current year payments.
 - Long-Term Debt
 - Any Certificates of Participation or Lease Revenue Bonds that involve a Public Financing Authority/Corporation should most likely be reported as a Lease Obligation.
 - Other Long-Term Debt
 - “Liability” type debts that have no P&I payments (e.g., Compensated Absences and Landfill Liabilities) as well as interfund loans (e.g., General Fund loan to Enterprise) should have Adjustments to show the current year increase/decrease.
 - State or Federal loans that are “construction” related should be reported on the Construction Financing form.
 - Lease Obligations
 - Make sure the Total Unmatured Principal (Only) End of Fiscal Year balance reconciles to the prior year ending balance:
[PY Principal Only End] - [CY Principal Payment] = [CY Principal Only End]
 - Leases less than 10 years (e.g., copiers, vehicles, etc.) should be reported on the Other Long-Term Debt form.

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6. **TRANSFERS IN/OUT** between funds other than Governmental or Enterprise should only include transfers to/from Trust Funds and Internal Service Funds.
 - If transfers from Trust Funds include monies that have never been recognized as revenues, they need to be reported by the original revenue source. For example, if your VLF Realignment goes directly into a Trust Fund upon receipt, these funds need to be reported as State, VLF Realignment, when they are transferred from Trust.
7. Only actual current year figures should be reported, so **PRIOR YEAR ADJUSTMENTS** (any correction to a prior year figure) should be reported as an adjustment on the Statistics and Summary form with the following exceptions:
 - Accruals, accrual reversals, and indirect cost credits can be reported in the revenue and expenditure fields. If any of these creates a negative, please footnote the actual current year figure.
 - The Enterprises do not carry forward balances, so no PY adjustments are necessary.
8. The Vehicle License Fee (VLF) and Sales Tax **REALIGNMENTS** each have four different allocations: Social Services (SS), Public Safety (PS), Mental Health (MH), and Health Services (HS).
 - VLF: Combine all VLF realignment revenues for SS, PS, MH, and HS, and report the total in the "Realignment from VLF" field.
 - Sales Tax: Report Sales Tax SS, PS, MH, and HS realignment revenues separately in their respective fields.
9. The **OTHER FIELDS** on the revenue and expenditure forms are for items that do not apply to a hardcoded field elsewhere on the form. Please review all of the fields on the forms before reporting an item as "Other."
10. **RUNNING A LITTLE BEHIND?** We cannot grant extensions, but . . .
 - The fastest way to meet the report filing requirements is to submit your **REPORT** via FTP and e-mail or fax (916-324-0593) your signed Cover Page. You still need to mail the original, signed Cover Page and the Bureau of Census form.
 - Don't forget your **BUDGET**. Send it to the "Attention of Wendy Dear." Please note that we need a separate copy from our Cost Plans Unit. To meet the Budget filing deadline, you can submit an unbound copy or an electronic version as long as the figures are "final." We would like to have a final, bound hardcopy when available.

If you have any questions or need assistance, please contact:
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